

Alan Levine SECRETARY

Department of Health and Hospitals
Office of the Secretary

April 30, 2010

The Honorable Jim Tucker, Speaker Louisiana State House of Representatives P.O. Box 94062, Capitol Station Baton Rouge, LA 70804-9062

Dear Speaker Tucker:

In response to Senate Concurrent Resolution No. 103 (SCR 103) of the 2009 Regular Session, the Louisiana Department of Health and Hospitals (DHH) submits the enclosed report. SCR No. 103 urges and requests DHH to develop a demonstration program to provide continued Medicaid coverage for women who have delivered a premature baby or who have chronic health issues and to provide a written report of recommendations to the health and welfare committees of the legislature.

The bureau of health services financing (Medicaid) within DHH is available to discuss the enclosed report and recommendations with you at your convenience. Please contact Ms. Ruth Kennedy, deputy director of the bureau of health services financing (Medicaid), at (225) 342-3891 with any questions or comments you may have.

Sincerely,

Alan Levine Secretary



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# Department of Health and Hospitals

Office of the Secretary

April 30, 2010

The Honorable Joel T. Chaisson, II, President Louisiana State Senate P.O. Box 94183, Capitol Station Baton Rouge, LA 70804-9183

Dear President Chaisson:

In response to Senate Concurrent Resolution No. 103 (SCR 103) of the 2009 Regular Session, the Louisiana Department of Health and Hospitals (DHH) submits the enclosed report. SCR No. 103 urges and requests DHH to develop a demonstration program to provide continued Medicaid coverage for women who have delivered a premature baby or who have chronic health issues and to provide a written report of recommendations to the health and welfare committees of the legislature.

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/1

Sincerely

Secretary



Alan Levine

**SECRETARY** 

# State of Louisiana

# Department of Health and Hospitals Office of the Secretary

April 30, 2010

The Honorable Kay Katz, Chairwoman House Health and Welfare Committee Louisiana State House of Representatives P.O. Box 44486, Capitol Station Baton Rouge, LA 70804-4486

Dear Chairwoman Katz:

In response to Senate Concurrent Resolution No. 103 (SCR 103) of the 2009 Regular Session, the Louisiana Department of Health and Hospitals (DHH) submits the enclosed report. SCR No. 103 urges and requests DHH to develop a demonstration program to provide continued Medicaid coverage for women who have delivered a premature baby or who have chronic health issues and to provide a written report of recommendations to the health and welfare committees of the legislature.

The bureau of health services financing (Medicaid) within DHH is available to discuss the enclosed report and recommendations with you and the members of the House Health and Welfare Committee. Please contact Ms. Ruth Kennedy, deputy director of the bureau of health services financing (Medicaid), at (225) 342-3891 with any questions or comments you may have.

Sincerely

Secretary



Alan Levine SECRETARY

# Department of Health and Hospitals

Office of the Secretary

April 30, 2010

The Honorable Willie L. Mount, Chairwoman Senate Health and Welfare Committee Louisiana State Senate P.O. Box 94183, Capitol Station Baton Rouge, LA 70804-9183

Dear Chairwoman Mount:

In response to Senate Concurrent Resolution No. 103 (SCR 103) of the 2009 Regular Session, the Louisiana Department of Health and Hospitals (DHH) submits the enclosed report. SCR No. 103 urges and requests DHH to develop a demonstration program to provide continued Medicaid coverage for women who have delivered a premature baby or who have chronic health issues and to provide a written report of recommendations to the health and welfare committees of the legislature.

The bureau of health services financing (Medicaid) within DHH is available to discuss the enclosed report and recommendations with you and the members of the Senate Health and Welfare Committee. Please contact Ms. Ruth Kennedy, deputy director of the bureau of health services financing (Medicaid), at (225) 342-3891 with any questions or comments you may have.

Sincerely.

Secretary

# EXPANSION OF MEDICAID POPULATION AND BENEFITSINTERCONCEPTUAL CARE PILOT

REPORT PREPARED IN RESPONSE TO SCR 103 OF THE 2009 REGULAR SESSION

APRIL 2010

### Contact:

Louisiana Department of Health and Hospitals Ruth Kennedy, Deputy Director Bureau of Health Services Financing (Medicaid) 628 N. 4th Street, Baton Rouge LA 70821 225-342-3891 Ruth.Kennedy@la.gov

### EXECUTIVE SUMMARY

To address the high percentage of low birth weight babies born to Louisiana women, the Louisiana Legislature, in the Senate Concurrent Resolution 103 of the 2009 Regular Session, asked the Louisiana Department of Health and Hospitals (DHH) to develop an interconceptual care pilot with expanded Medicaid coverage and benefits. The resolution further requested that the state evaluate the pilot and report findings.

In contrast to many other states, Louisiana's Medicaid coverage for women who do not meet the Social Security definition of "disabled" is limited to women under 12 percent of the federal poverty level (FPL), or to women who are pregnant and have an income below 200 percent FPL; coverage for those below the 200 percent poverty level ends 60 days after the delivery. SCR 103 suggested a two-year expansion of Medicaid coverage for high-risk women who are losing coverage, as well as case management and preconception counseling for women with a history of premature babies and/or chronic health issues.

The Department explored the options listed below. While time constraints and the budget do not support an immediate expansion of population or services, the Department is pursuing alternative ways in which it may help set the framework.

- Developing the pilot outlined in the SCR; and
- Developing or amending a waiver to expand coverage and/or broaden the benefit package.

DHH is also looking into the possibility of adding targeted case management for women who are currently enrolled in the Medicaid Program. Some of the state's most vulnerable women are in the greatest need of interconceptual intervention. These women, who are also continuously eligible, have one or more of the following characteristics:

- Parents' income is below 12 percent of FPL;
- Women is 19 years-old or younger; and
- Women falls below 74 percent of FPL, and suffers from a physical or mental disability.

Additionally, through the Office of Public Health (OPH) and the Bureau of Health Services Financing (Medicaid), the Department is also working with public and private partners to support a grant-funded, regional interconceptual care pilot. OPH is working to identify private foundations and other governmental funding sources that may bring primary care services and layperson case management services to high-risk women who lose Medicaid after a delivery.

The Department recently announced a new initiative, Improving Birth Outcomes, which will bring together other state agencies, as well as private and other public partners, to dissect the factors that contribute to poor birth outcomes and craft integrated interventions.

The Department recommends that the Legislature support the funding of targeted case management services to improve birth outcomes. In the meantime, the Department is reviewing the new Patient Protection and Affordable Care Act to understand its impact on the population outlined in SCR 103. DHH will also continue to pursue other opportunities for expanding coverage for pregnant women who fall below the poverty level.

### REPORT TO THE LEGISLATURE

### INTRODUCTION

In an effort to improve birth outcomes in the state, SCR 103 of the 2009 Louisiana Regular Legislative Session asked DHH to develop a pilot project, consisting of the following activities:

- Expand Medicaid coverage for two years to high-risk, poverty level pregnant women who lose coverage 60 days after a delivery (known as LaMOMs program in Louisiana);
- Provide on-going preconception counseling and extend case management services;
- Evaluate the pilot; and
- Report findings to the Legislature.

### PROBLEM STATEMENT

According to the 2007 Louisiana Health Report Card, 11.5 percent of Louisiana's live births in 2005 were low birth weight babies, compared to 8.2 percent nationally. African American women in Louisiana gave birth to infants of low birth weight about twice as frequently as Caucasian women, at 16 percent compared to 8.6 percent. In Louisiana, women who do not meet the Social Security definition of "disabled" and who have income above 12 percent FPL are only eligible for Medicaid coverage if they are pregnant and have an income below 200 percent of the federal poverty level. These women lose Medicaid benefits 60 days after delivery. Even women who have continuous Louisiana Medicaid coverage (12 percent of FPL and below) do not have access to case management.

### RESEARCH METHOD

- 1. Conducted online research of professional and advocacy journals, federal and state Web sites, and other state programs and legislation;
- 2. Reviewed options with consulting firm;
- 3. Consulted Medicaid Medical Director and family planning waiver conference participants; and
- 4. Reviewed published data reports and ad hoc data.

### **CURRENT ACTIONS**

DHH is exploring the possibility of adding targeted case management services, through the Medicaid State Plan, for those women who are continuously eligible for Medicaid. This would add the type of supportive services for poverty level and ill/disabled women that one study on interconceptual care cites as a contributing factor to improved pregnancy spacing and fewer adverse pregnancy outcomes. According to Medicaid and Vital Records data, approximately 1,100 Louisiana Medicaid-enrolled women gave birth to low or very low birth weight babies in 2007. While the newly-signed health care reform act will provide coverage for a portion of the population identified in SCR 103, the Department is also pursuing targeted case management for women already on Medicaid as the staff believes it would provide a much-needed service while the Department works toward a greater understanding of the act and prepares to implement the act's mandates.

Medicaid is also partnering with OPH to develop a grant application, which would financially support a pilot project, and providing guidance and input to the project's development. The pilot aims to provide case management through lay staff and to work with sliding fee scale providers to provide primary care

services to high-risk pregnant women, who lose Medicaid coverage. The Department is also identifying potential funding sources for such a pilot.

Also, the Department recently announced a priority initiative, "Improving Birth Outcomes," which recognizes that low birth weight babies not only cost more health care dollars at birth, but potentially impact a number of public resources as they may need additional services throughout their lives as a result of low birth weight. The initiative's solutions must be developed in collaboration with other agencies, such as the Department of Social Services, the Department of Education and the Department of Labor, in order to intervene, educate and support common goals.

### OTHER OPTIONS CONSIDERED

The pilot requested in SCR 103 does not qualify for federal Medicaid match as it would violate "state wideness" as described in Section 1902 of the Social Security Act, which requires that a state plan for medical assistance be available in all political subdivisions. A pilot would also violate the comparability of services provision, found in Section 1902(a) (10) (B) of the Social Security Act, which requires that the medical assistance available to one group of individuals "shall not be less in amount, duration or scope than the medical assistance made available to any other individual."

While states have the option to expand full Medicaid coverage to parents who fall below 185 percent FPL (or higher with income disregards), Louisiana would be required to cover all parents at those poverty levels, an impossible option due to the high cost associated.

Another possibility, to cover this population under a Disproportionate Share Hospital (DSH) Redirection waiver, emerged during the SCR study. The Department discussed with the Centers for Medicare and Medicaid Services (CMS) the possibility of redirecting a portion of DSH funds to expand coverage up to 100 percent of federal poverty level with a limited benefit package. While this would not have covered the entire population of Medicaid-eligible, poverty level, pregnant women, it would have reached a large number of women. As the discussion evolved, it became apparent that the funds under consideration would not be available for a redirection waiver.

The Department also looked into expanding the existing Section 1115 Family Planning Waiver to offer a limited Medicaid benefit package, including case management, to high-risk pregnant women. The existing waiver is up for renewal in year five, which begins in July, 2010. Additional services can be considered part of the renewal application. However, CMS has traditionally required that wavier services focus on a narrow definition of family planning. During the renewal discussions, the Department can inquire whether CMS is now open to a broader view of services.<sup>3</sup> Because of budget neutrality rules, the impact of expanded services would be an additional challenge to the family planning waiver.

DHH also considered developing a Section 1115 Medicaid Demonstration Waiver for interconceptual care, which would require evidence of budget neutrality, additional resources (administrative staff and an evaluation contractor) and CMS approval in an environment in which coverage expansion waivers are not being acted upon. Part of CMS's waiver review process is the assertion from the state of the availability of the state match for the proposed demonstration, and that assertion cannot be made at this time.

### CONCLUSION

The Department believes that the goal of providing interconception health care to women, especially those with a history of premature babies and/or chronic medical condition, has merit. If funded, DHH staff is confident that adding targeted case management for women with low or very low birth weight babies, who have Medicaid coverage, will have a positive impact on health outcomes for both babies and their mothers. The Department will also continue to work with public and private partners to assist with the interconceptual care pilots, which are currently being discussed in the state.

### **WORKS CITED**

### **ENDNOTES**

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- <sup>2</sup> Social Security Act Section 1902(a) (10) (B). <u>Compilation of the Social Security Laws</u>. Volume 1. http://www.ssa.gov/
- <sup>3</sup> "Special Terms and Conditions-Take Charge (Family Planning Demonstration) 11-W-00232/6." Centers for Medicare and Medicaid. 1-7.

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### SENATE CONCURRENT RESOLUTION NO. 103

BY SENATOR CHEEK AND REPRESENTATIVES BARROW, BURFORD, DOERGE, HILL, MICHAEL JACKSON, JOHNSON, KATZ, NOWLIN, POPE, SIMON, WILLIAMS AND WILLMOTT

### A CONCURRENT RESOLUTION

To urge and request the Department of Health and Hospitals to develop a demonstration program to provide continued Medicaid coverage for women who have delivered a premature baby or who have chronic health issues for a two-year period in an effort to address their health issues, do ongoing preconception counseling, assure access to appropriate family planning services, and receive care management services.

WHEREAS, Louisiana ranks forty-ninth among the states in preterm births with sixteen point five percent of all births, or approximately ten thousand seven hundred seventy-five babies, born prematurely each year; and

WHEREAS, this percentage has continued to increase and causes significant health and financial repercussions to the families of this state; and

WHEREAS, there is a significant racial disparity in these births with twenty point six percent of African-American births preterm compared to twelve point seven percent of Caucasian births; and

WHEREAS, the average hospital costs for a healthy baby is four thousand three hundred dollars compared to fifty-eight thousand dollars for a preterm baby; and

WHEREAS, some fifteen percent of Medicaid births in Louisiana are premature and these children incur two hundred eight million dollars in medical care in their first year of life representing more than sixty percent of the costs of all children covered by Medicaid under one year of age or a total of three hundred forty-three million dollars; and

WHEREAS, the strongest predictor of future preterm birth is a prior preterm delivery and thirty percent of subsequent births to women with a history of premature delivery are preterm; and

WHEREAS, women with hypertension have an eighty percent increased risk for a preterm birth and other chronic conditions also resulted in increased risk of prematurity; and

WHEREAS, women who are not pregnant are not eligible for Medicaid if their income exceeds thirteen percent of the federal poverty level but pregnant women are eligible

SCR NO. 103 ENROLLED

for Medicaid up to 200 percent of the federal poverty level but lose eligibility again after the baby is born.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby urge and request the Department of Health and Hospitals to develop a demonstration

program to provide continued Medicaid coverage for women who have delivered a

premature baby or who have chronic health issues for a two-year period in an effort to

address their health issues, do ongoing preconception counseling, assure access to

appropriate family planning services, and receive care management services.

BE IT FURTHER RESOLVED that the demonstration program have an evaluation

component to access the adequacy of provided services and measure the anticipated cost

savings.

BE IT FURTHER RESOLVED that the Department of Health and Hospitals make

a written report of recommendations to the health and welfare committees of the Legislature

of Louisiana about Medicaid eligibility changes if the demonstration program produces the

anticipated savings.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the

secretary of the Department of Health and Hospitals.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

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